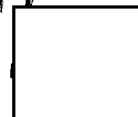


DCI



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1 NOV 1963

MEMORANDUM FOR: The Director of Central Intelligence

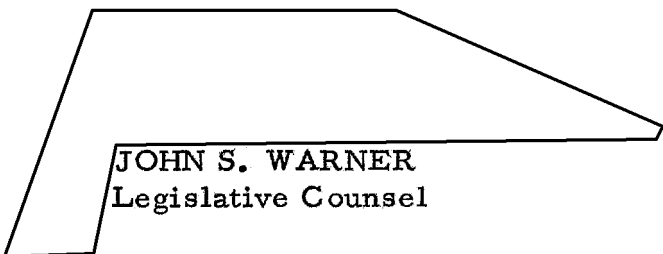
SUBJECT: Executive Pay

1. This memorandum is for the information of the Director of Central Intelligence.

2. After a series of executive sessions during the week, the House Post Office and Civil Service Committee ordered reported favorably a new Executive Pay bill on 31 October. The bill, H.R. 8986, is a clean bill and was introduced later in the day on 31 October. A copy of that bill is attached but the report has not yet been printed.

3. Beginning at page 41 of the bill, Levels I, II and III are set forth with the new positions. Level I has the same position as the earlier bill but with salary reduced from the proposed \$40,000 to \$35,000. Level II has a salary set at \$32,500 and the positions are somewhat changed. Specifically, the position of the DCI is no longer on Level II but has been placed in Level III, salary of \$30,500. The DDCI position in the previous bill was in Level III and has been deleted in the new bill. These changes were accomplished as the result of the application of an arbitrary formula which was agreed on as a compromise in the Committee mark-up of the bill. The formula prescribed was that no officer or position would receive more than a \$10,000 increase. This required the adjustment noted above of the DCI and DDCI positions. There is only one exception according to the advice of the Committee and that is in the case of the Director of the FBI who is placed in Level II "so long as the position is held by the present incumbent."

4. We believe that in order to take any action to restore the positions of the DCI and DDCI to Level II and III respectively, that prior Presidential approval would be essential. Then three possible chances to take action are (a) floor amendment in the House, (b) amendment in Senate committee, and (c) amendment on the Senate floor. While there are difficulties in all methods of approach, it would seem that the method most likely of success would be to discuss the matter privately with Senator Russell with a hope that he would feel sufficiently strong about the matter that he could persuade the Chairman of the Post Office and Civil Service Committee, Senator Olin Johnston, to introduce an amendment in the Committee. Amendment on the floor of the House, while conceivably possible, could be very difficult and to a lesser degree, the same general problems would apply to attempts at floor amendment in the Senate. A copy of the old bill, H.R. 8716, is also attached for comparison purposes.



JOHN S. WARNER
Legislative Counsel

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Attachments:
H.R. 8986
H.R. 8716

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